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GOVERNOR

**State of Louisiana**  
DIVISION OF ADMINISTRATION  
**OFFICE OF THE COMMISSIONER**

**Jerry Luke LeBlanc**  
COMMISSIONER OF ADMINISTRATION

Memorandum

To: Cabinet Secretaries, Elected Officials, Agency Heads, Business Managers, Purchasing and Contract Personnel

From: Jerry Luke LeBlanc   
Commissioner

Date: September 8, 2005

Subject: Guidelines for Emergency Procedures under Executive Order No. KBB 2005-27

Although the attached Executive Order No. KBB 2005-27 allows agencies to override certain restrictions in purchasing and contracting, it is important to note that funds spent may not be reimbursable by the Federal Emergency Management Agency (FEMA) unless some competitive process is used. The following are guidelines therefore designed to assist agencies when procuring goods and services under the Executive Order No. KBB 2005-27 to ensure best practices and enhance the possibility that FEMA reimbursement will be allowed:

- \* A determination that the procurement of goods and services will be made under the authority granted by the executive order must be made by the agencies' appointed officials and their equivalent for elected officials and higher education and through a centralized point of contact for the agency.
- \* Competitive quotes/offers must be obtained whenever possible (i.e. fax, phone, LaPAC) and agencies must take the necessary steps to assess that fair and equitable pricing is being offered. Any suspected price gouging should be reported to the Attorney General's office.
- \* Performance-based contracting should be used where practical.
- \* Although purchases falling under this executive order do not require approval of OCR and OSP, copies of all contracts

must be sent to OCR and OSP and a central point of contact or coordinator at the department level to ensure a central record of all such procurements is maintained. Additionally, ISIS agencies should enter such purchases into the AGPS/CFMS database. (For CFMS contracts, agencies should use the document type "MISC").

- \* Agencies are responsible for the diligent monitoring of all contract services to ensure contractor performance. Payments to contractors should be made only after verification that all goods and services meet contract requirements.
- \* Shop statewide contracts. Prices are competitive and contractors are offering faster delivery. Many contractors have offered priority shipping and production on orders that indicate "Hurricane Katrina".
- \* All files must be documented in detail as indicated in the executive order, particularly in terms of the emergency related reason for the purchases. Additionally any competitive quotes/offers received with written determination of selection at fair and reasonable prices should be included. This is extremely important as these files will be audited by the Inspector General and FEMA.

That documentation should specify whether the purchases fall into either of these two categories and the related sub-category:

Emergency: Debris clearance; or emergency protective measures (i.e., to save lives, protect public health and safety; protect improved property).

Permanent: Roads/bridges; water control (dams, sea walls, etc.); public buildings & equipment; public utility; parks/recreation

State agencies should exercise prudent judgment in examining current contracts for goods and services in the areas affected to determine if contracts should be amended or cancelled if the contractor can no longer perform under the contract terms.

The executive order and guidelines will remain in effect until September 25, 2005 or concurrent with the governor's state of emergency Proclamation No. 48 KBB 2005.

Please share this memorandum with all concerned parties.